



BellSouth Telecommunications, Inc.
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October 25, 2001

RECEIVED
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EXECUTIVE SECRETARY

VIA HAND DELIVERY

David Waddell, Executive Secretary
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37238

Re: *Complaint of XO Tennessee, Inc. Against BellSouth
Telecommunications, Inc.*
Docket No. 01-00868

Dear Mr. Waddell:

Enclosed are the original and thirteen copies of BellSouth's Answer. A copy of the enclosed is being provided to counsel of record.

Very truly yours,

Guy M. Hicks

GMH:ch
Enclosure

BEFORE THE TENNESSEE REGULATORY AUTHORITY
Nashville, Tennessee

In Re: *Complaint of XO Tennessee, Inc. Against BellSouth Telecommunications, Inc.*

Docket No. 01-00868

ANSWER OF BELLSOUTH TELECOMMUNICATIONS, INC.

BellSouth Telecommunications, Inc. ("BellSouth") files its answer to the complaint of XO Tennessee, Inc. ("XO").

1. BellSouth admits that XO is a competitive local exchange carrier certified by the Tennessee Regulatory Authority ("TRA") to offer intrastate telecommunications services in Tennessee.

2. BellSouth admits that it is an incumbent local exchange telephone company offering telecommunications services in Tennessee. BellSouth also admits that it is an incumbent local exchange telephone company operating under a price regulation plan pursuant to T.C.A. § 65-5-209.

3. BellSouth admits that on September 5, 2001, a representative of BellSouth offered to provide the BellSouth 2001 Key Business Discount Program to the Tennessee customer referenced in XO's Complaint. BellSouth further admits that the BellSouth sales representative sent the customer a fax with a note which included the statement quoted in paragraph 3 of the Complaint. Following review of the complaint filed by Access Integrated Networks, Inc. ("AIN") in Docket No.

01-00808, BellSouth promptly suspended all sales activity by BellSouth representatives to Tennessee customers which may have implied any offers of free local telecommunications services made to prospective customers under the BellSouth 2001 Key Business Discount Program. Further answering, BellSouth states that it is the policy of BellSouth that pricing for regulated services be offered by BellSouth, its contractors and agents, in strict conformance with the terms of the tariffs governing the provision of such services.

5. BellSouth admits that its 2001 Key Business Discount Program tariff on file at the TRA does not provide for an offer of free local telecommunications service.¹

6. BellSouth denies the allegations of paragraph 6. Further answering BellSouth states that the allegations contained in paragraph 6 seek to characterize T.C.A. § 65-4-122 and TRA Rule 1220-4-8-.09(2)(c)(3) and respectfully refers the TRA to those provisions for their meaning and effect and denies any inconsistent allegations. BellSouth further states that the allegations of paragraph 6 constitute legal conclusions and therefore no answer is required to those allegations.

7. BellSouth admits that BERRYDirect made a similar offer to a Knoxville customer on or about August 27, 2001. BellSouth admits that its answer to the AIN complaint included the following:

¹ There is no paragraph 4 in XO's Complaint.

Any statement or implication that a customer will receive free or complimentary tariffed service under the BellSouth 2001 Key Discount Program is contrary to both the terms of the applicable tariff and BellSouth policy and practice.

BellSouth denies the remainder of paragraph 7 and specifically denies that there is such a "marketing plan now in effect." Both the AIN and XO complaints are clearly based on proposals made prior to BellSouth's suspension of these sales activities. BellSouth states that the remaining allegations contained in paragraph 7 constitute legal conclusions and therefore no answer is required to those allegations.


8. BellSouth denies that the TRA should issue a show cause order or sanction BellSouth. As stated, upon review of AIN's complaint, all of these sales activities by BERRYDirect and BellSouth to Tennessee customers were promptly suspended. Any statement or implication that a customer will receive free or complimentary tariffed services under the BellSouth 2001 Key Business Discount Program is contrary to both the terms of the applicable tariff and BellSouth policy and practice. Further, BellSouth has withdrawn or contacted customers in an attempt to withdraw all pending sales proposals made by BERRYDirect and BellSouth which may have implied any offers of free local telecommunications services made to prospective customers under the BellSouth 2001 Key Business Discount Program.

9. Any allegation not specifically admitted herein is denied.

WHEREFORE, BellSouth respectfully requests that the Authority deny the relief requested by XO.

Respectfully submitted,

BELLSOUTH TELECOMMUNICATIONS, INC.


By: _____

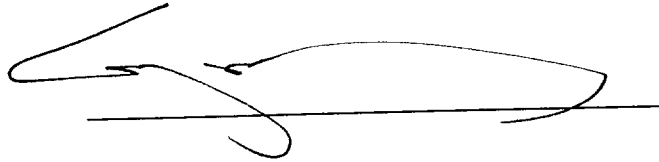
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CERTIFICATE OF SERVICE

I hereby certify that on October 25, 2001, a copy of the foregoing document was served on the parties of record, via the method indicated:

- ☐ Hand
- ☒ Mail
- ☒ Facsimile
- ☐ Overnight

Henry Walker, Esquire
Boult, Cummings, et al.
P. O. Box 198062
Nashville, TN 37219-8062

A handwritten signature in black ink, appearing to read "Henry Walker", is written over a horizontal line.